

CITY OF LOS ANGELES

SMART GROWTH HOUSING INITIATIVES

1. DENSITY BONUS

The state enacted a law several years ago requiring cities to grant a minimum 25% additional density for housing projects that set aside 10-20% of the units for affordable housing (depending on the rent level or sale price of the units). Seeing few developers take advantage of this law, the City adopted its own ordinance to increase the incentive. Under the new law, the affordable set aside percentage remains the same, but developers can add 35% more market rate units than otherwise allowed under the zoning for projects that are located close to rail or bus stops (a 10% increase above the State law). The additional density is allowed by-right, meaning there are no hearings and no discretionary actions. Since adoption of the ordinance we have seen a 37% increase in these types of projects, and in the first fourteen months, they have generated more than 700 units in all parts of our city that are affordable to people with low and very low incomes. And these units are mixed imperceptibly within market rate projects in Brentwood and Sherman Oaks, as well as Pico Union and South L.A.



2. ADAPTIVE REUSE ORDINANCE

In 1999, the City adopted an ordinance to facilitate the conversion of old, abandoned downtown office buildings into housing. That ordinance made it possible to convert many beautiful, historic buildings into apartments and condominiums by waiving modern zoning requirements that were difficult to apply to historic buildings. The ordinance assures that new units are safe, without sacrificing the extraordinary architecture of Los Angeles' historic buildings. Although a new phenomenon in Los Angeles, adaptive reuse projects are being well received in the market and thousands more are in development. The adaptive reuse ordinance has now been expanded to Hollywood, Koreatown, Chinatown, and other areas and a modified version has been adopted that applies citywide.



3. RAS

Two new zones were created in January, 2003 to encourage mixed use development (housing and commercial) along underutilized commercial and transportation corridors. The zones, Residential Accessory Services zones (RAS), provide increased floor area and height and reduced setbacks for 100% residential or mixed use projects constructed on commercial corridors. The two zones differ only in the number of units permitted: RAS3 permits 54 units per acre; RAS4 permits 108 units per acre. It is anticipated that RAS projects will help transform the city's underperforming transit corridors into beautiful boulevards, while improving mobility, reducing traffic, and upgrading neighborhoods.



4. TRANSIT ORIENTED DEVELOPMENT

As rail lines are added to the city's transportation system, areas around station stops have the potential to become unique mixed-use neighborhoods that appeal to individuals and families who see transit as an asset. The city has adopted several "Transit-Oriented District" plans, which increase density, reduce parking requirements, and establish design and development standards to create inviting, mixed-use urban neighborhoods, such as Avenue 57 in Highland Park and around the Vermont Avenue red line stops in Hollywood.



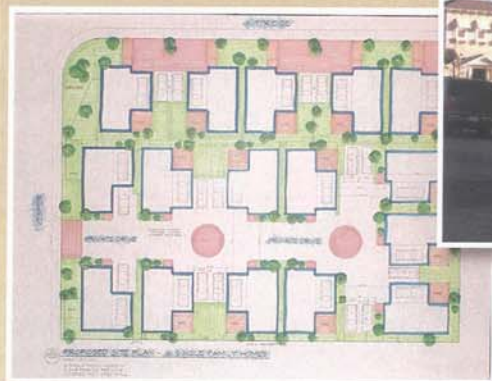
5. LIVE/WORK

Industrial warehouses can be suitable for housing, yet zoning codes have traditionally precluded housing in industrial zones. By adopting an ordinance several years ago that permitted such housing, the city paved the way for the conversion of interesting, large industrial spaces that have now spread from the fringes of downtown to Venice, North Hollywood, and other parts of the city. Warehouse conversions are transforming neighborhoods, creating new housing, and adding to the city's tax base.



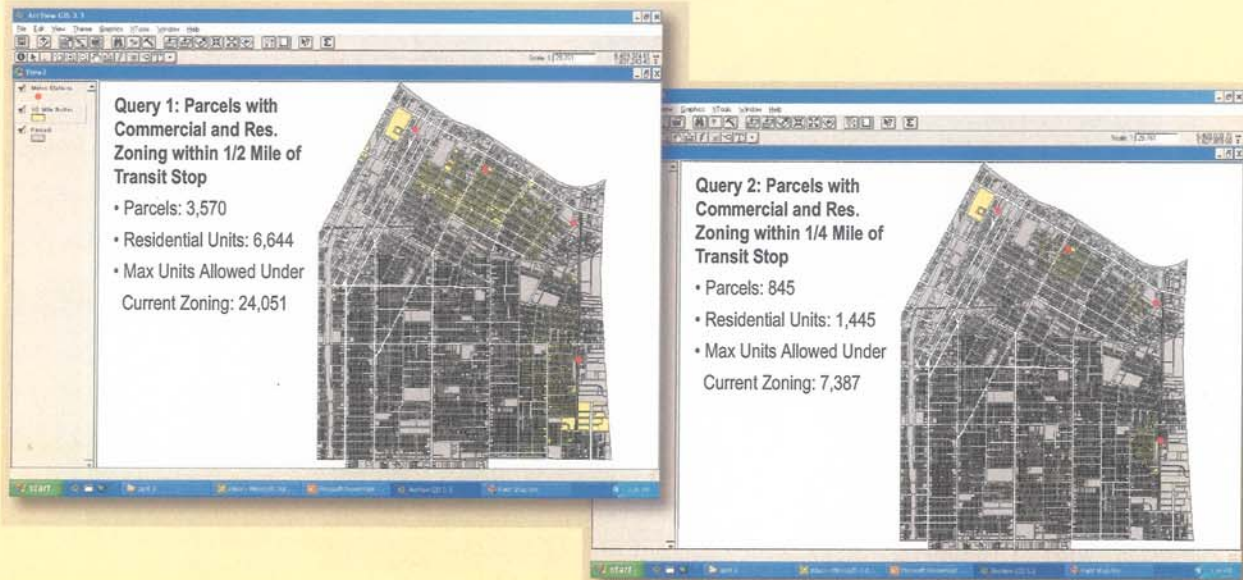
6. TOWNHOME ORDINANCE

A new ordinance is under consideration to permit small lot, fee-simple ownership opportunities in multi-family neighborhoods. The new law will provide an entirely new housing option, allowing people to purchase a house and the lot it sits on, just like they do in a single family neighborhood, rather than a unit in a condominium. The ordinance will allow properties zoned for multi-family residential use to be subdivided into much smaller lots than is required today, while complying with the density requirements established by both the zoning and the General Plan, in order to reduce the cost of home ownership and to generate creative housing solutions, such as modern versions of bungalow courts, courtyard housing and row houses. Pilot projects of such small lot subdivisions are already being proposed on multi-family zoned lots in the Marina and in Van Nuys.



7. INFILL HOUSING EVALUATION TOOL

With a \$300,000 grant from the California Department of Transportation, the City of Los Angeles, L.A. County, and a team of consultants are developing an innovative GIS-based infill housing tool. The tool provides a way for policy makers, developers and neighborhood residents to identify and map infill development sites and to quantify the net new housing that could be produced on them. It can be used to identify certain geographies (i.e. all parcels within 1/4 mile of transit), and to test infill strategies (i.e. what if we provided a density bonus for converting obsolete shopping centers into housing?). The GIS system can map eligible parcels at a parcel level, neighborhood level, or regional level, quantify the current number of units on the parcels, and calculate the net new number of units the strategy could yield. The infill tool uses off-the-shelf technology and free and easily available data. It will be a powerful tool to help cities find and develop politically and economically viable infill sites.



8. HOUSING TRUST FUND

The City created a \$100 million housing trust fund to provide funding for affordable housing projects. The Trust Fund further assists projects that have received other public funding, leveraging public resources for projects that might otherwise not be built. This investment has been responsible for more than 1,000 units of affordable housing built over the last year and a half.

